



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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April 9, 2004

TO: Agency Budget Officers
All Agencies

FROM: Candace Espeseth, Assistant Director
Budget Division

SUBJECT: SUPPLEMENTAL BUDGET ALLOTMENT UPDATE

Now that OFM has completed the appropriation schedules for the enacted 2004 supplemental budgets, agencies should submit the related allotment amendments.

Operating budget allotments will need to include agency-specific appropriation changes, as well as any self-insurance premium reductions assumed by Section 708 of the appropriations bill (ESHB 2459). This section directs the Office of Financial Management (OFM) to reduce total General Fund-State Fiscal Year 2005 allotments by \$1,203,000 to reflect a new estimate of state liability expenses. The reduction amount for selected agencies shown on page 3 of this memo should be placed in allotment reserve status in the agency submittal. The Office of Risk Management will reduce the insurance premium billings to agencies by the amount of the reductions in the appropriations bill.

Allotment Submittal Dates and Technical Requirements

Supplemental allotments are due to OFM no later than **Monday, May 10**. This should allow sufficient time for your OFM analyst to review your allotment packet(s) and have you make any necessary changes before the May fiscal month close on June 14. Agencies may not expend funds without allotment approval. If you need to expend supplemental appropriations in April, submit your supplemental allotment by Friday, April 23.

Agencies are required to submit separate allotment packets for appropriation changes and for the self-insurance premium reduction:

- An L600 series packet should reflect only agency-specific appropriation changes, as displayed in the OFM appropriation schedule.
- For ease of tracking self-insurance premium allotment reductions, use a separate, L900 packet.

Please ensure that the L packets are not used for other allotment expenditure changes unrelated to the supplemental appropriation changes. Quarterly adjustments to the initial allotment plan can be accomplished through the appropriate S packet.

Cash Receipts and Cash Disbursements Updates

Agencies should also update cash receipts and cash disbursement allotments to reflect the supplemental budget changes. These cash allotment adjustments are to be included with the applicable L packet.

In addition, agencies are to submit a D packet to reflect the February revenue forecast and other changes in assumptions relating to cash. If your agency has not already done so, please submit a D packet as soon as possible. Realistic and current cash allotments for all funds are needed to project aggregate monthly cash balances in the treasury.

Please remember to update cash receipts on an ongoing basis to keep them synchronized with any quarterly revenue forecasts applicable to your agency, and to update cash disbursements whenever a significant change is projected from your current estimates.

Summary

Agencies are to submit the following allotments or requests.

Due no later than May 10 (but before spending supplemental appropriation amounts):

1. An L600 series packet to reflect agency-specific appropriation changes and associated cash receipts and disbursement changes.
2. An L900 packet to reflect the agency's portion of the reduction in state liability expenses and associated cash receipts and disbursement changes.
3. A D packet to reflect current cash estimates.

If you have questions or concerns, please contact Monica Jenkins at (360) 902-0561 or by email: monica.jenkins@ofm.wa.gov, or your assigned budget analyst. Thank you for your careful attention to this allotment update process.

Recommendation Summary Item S04 Liability Account (Self-Insurance Premium)

This list represents a reduction to Self-Insurance Premium paid by agencies with General Fund - State. Premiums paid from other funds will also be reduced, but agencies are not required to put that savings into reserve. (ESHB 2459, Section 708)

Agency		GF-S	FY 2005
011	House	001-1	3,000
012	Senate	001-1	2,000
038	Joint Legislative Systems	001-1	1,000
045	Supreme Court	001-1	1,000
048	Court of Appeals	001-1	2,000
075	Governor	001-1	1,000
085	Secretary of State	001-1	2,000
103	CTED	001-1	5,000
105	OFM	001-1	3,000
120	Human Rights Commission	001-1	1,000
140	Revenue	001-1	7,000
225	WSP	001-1	7,000
240	Licensing	001-1	1,000
245	Military	001-1	5,000
300	DSHS	001-1	444,000
303	Health	001-1	2,000
305	Veterans' Affairs	001-1	6,000
310	DOC	001-1	467,000
315	Services for the Blind	001-1	1,000
343	HECB	001-1	1,000
350	OSPI	001-1	4,000
351	School-Blind	001-1	1,000
353	School-Deaf	001-1	5,000
365	WSU	001-1	44,000
370	EWU	001-1	14,000
375	CWU	001-1	12,000
376	TESC	001-1	4,000
380	WWU	001-1	8,000
390	State Historical Society	001-1	1,000
461	Ecology	001-1	8,000
465	Parks	001-1	21,000
477	Fish & Wildlife	001-1	13,000
490	Dept of Natural Resources	001-1	12,000
495	Agriculture	001-1	2,000
699	SBCTC	001-1	92,000
			\$1,203,000

Appendix I Reduction Allocation Instructions

The reduction allocations on the previous page of this memo, S04 Liability Account (Self-Insurance Premium) should be placed into allotment reserve status. The allocation reduction does not reduce your appropriation level. Use packet number L900. This packet must contain only the reduction amounts shown in the list above and must match in total. If you need more than one packet for this allotment reduction allocation, please start with L900 and continue in sequence.

Technical directions for making these changes in APS and TAPS are provided below.

APS/TAPS Instructions for Reduction Allocations

APS Agencies:

To place an amount from allotted status into reserve – use transaction code D2+.

TAPS Agencies (Option 1 agencies):

To place an amount from allotted status into reserve – use transaction code 706 for the appropriation index and transaction code 707 for the object of expenditure.

TAPS Agencies (Option 2 agencies):

To place an amount from allotted status into reserve – use transaction code 706 only.

Cash Disbursement Reduction

Each allotment packet must also include cash disbursement reductions

- APS agencies use a negative DC transaction code
- TAPS agencies use transaction code 906 R.